Comments to the Federal Communications Commission From the National Consumers League In the matter of Federal-State Joint Board on Universal Service TracFone Wireless, Inc.

Petition for Designation as an Eligible Telecommunications Carrier In the State of Virginia

Petition for Designation as an Eligible Telecommunications Carrier In the State of Florida

CC Docket 96-45 August 20, 2004

The National Consumers League (NCL), America's pioneer consumer organization, supports the petition by TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier (ETC) in the states of Virginia and Florida. NCL was founded in 1899 to identify, represent, and advance the economic and social interests of consumers and workers. Since its inception, NCL has worked to ensure that all Americans have access to quality goods and services at affordable prices. NCL is especially concerned about how low-income consumers fare in our evolving, increasingly high-tech marketplace.

Wireless telephone service is becoming an essential part of modern life. More and more people depend on wireless service to keep in touch with their children, their jobs, their health care providers, and others. For many people, wireless service supplements their wireline service at home. But for low-income consumers struggling to pay their monthly bills for wireline service, wireless service may be unaffordable. And for low-income people who, because they have had serious credit problems in the past or have no fixed address, do not even have wireline service, traditional wireless service plans are not feasible. With pay phones becoming harder to find, it is difficult for these people to communicate to others, and for others to communicate to them. Furthermore, pay phones do not offer features that we all rely on today, such as voice and text messaging. In addition, pay phone calls can be expensive.

Prepaid wireless service is a good option for low-income consumers because there are no long-term contracts, no credit checks, and no early termination penalties or late payment fees. With prepaid service, people pay only for the service that they can afford. The proposal by TracFone Wireless, Inc. to offer Lifeline prepaid service would undoubtedly enable more low-

income people to afford wireless service. That service would be comparable to that which higher-income consumers enjoy, with voice mail and other essential features.

NCL believes that this proposal would help to fulfill an important social imperative — ensuring that all Americans are able to communicate by telephone. Consumers are not concerned with whether the telephone service they receive is through resellers or facilities-based providers, as long as the quality is good and the price is reasonable and affordable. TracFone Wireless, Inc. provides good-quality service and is proposing to offer it to Lifeline-qualified customers at a price that most should easily be able to afford.

The Federal Communications Commission should embrace this innovative proposal and approve the company's petition for ETC status and forbearance.

Respectfully submitted,

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